



U.S. Department of Justice

*United States Attorney
Southern District of New York*

*86 Chambers Street
New York, New York 10007*

March 23, 2023

BY ECF & ELECTRONIC MAIL

Hon. Jennifer H. Rearden
United States District Judge
United States Courthouse
500 Pearl Street
New York, New York 10007
ReardenNYSDChambers@nysd.uscourts.gov

Re: *United States et al. v. Voyager Digital Holdings et al.*, No. 23 Civ. 2171 (JHR)
(Bankruptcy Appeal)

Dear Judge Rearden:

I write respectfully on behalf of appellants the United States of America and Justice Department official William K. Harrington, the United States Trustee for Region 2 (together, the “Government”), to request an administrative stay pending the Court’s decision on the Government’s motion until Wednesday, March 29, 2023 at 5:00 p.m. In the absence of an administrative stay, and in light of the expiration of the current stay tomorrow at 3:00 p.m., the Government would need to seek relief from the Second Circuit later tonight to ensure a continuation of the stay and avoid the risk of the dismissal of the Government’s appeal on the grounds of equitable mootness. As Debtors’ counsel argued to the Bankruptcy Court: “Our position is once Your Honor gives us authority to go forward with the transaction, we’re going to do that. And then we’re going to argue that appeals are equitably moot...” Fogelman Decl. Ex. E, March 15, 2023, Transcript at 34-35. Thus, the Debtors may seek to execute the restructuring transactions the moment the stay expires.

The Government seeks this brief extension to provide time for this Court to decide whether a further stay is warranted beyond March 29, either while the Court evaluates the pending stay motion or through the duration of the appeal. We are concerned that any shorter extension might necessitate further emergency requests to this Court. We requested the transcript following today's hearing as directed by the Court, but we were not able to find out when it would be ready. Debtors have also not yet responded to the Court's request for information on when their business deal with Binance.US would expire, but indicated in Court that it may not be until late April. We have met and conferred with the Debtors in an effort to find a mutually agreeable date for a voluntary extension of the stay, but we were not able to reach a resolution.

The Government's preference would be not to seek intervention from the Second Circuit until this Court can rule on its requests, but we feel constrained in the absence of a decision to seek appellate relief with sufficient time for that court to rule on our request before any stay expires, to avoid potential equitable mootness. We would thus aim to file our papers with the Second Circuit as early as possible in the day at least one business day before any stay is set to expire.

We thank the Court for its consideration of this request.

Respectfully,

DAMIAN WILLIAMS
United States Attorney

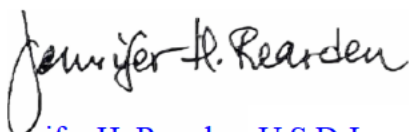
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cc: All parties (by ECF)

The Government's application for an administrative stay until March 29, 2023 at 5:00 pm is GRANTED IN PART. On consideration of the parties' submissions (ECF Nos. 38, 39, and 40), and as discussed at the conference on March 23, 2023 at 9:00 pm ET, the Court hereby extends the stay from Friday, March 24, 2023 at 3:00 pm ET to Tuesday, March 28, 2023 at 5:00 pm ET.

SO ORDERED.

A handwritten signature in black ink, reading "Jennifer H. Rearden". The signature is written in a cursive, flowing style.

Jennifer H. Rearden, U.S.D.J.
Date: March 24, 2023